

MARYLAND ENERGY ADMINISTRATION
“EmPOWER CLEAN ENERGY Communities” GRANT PROGRAM
UPDATED PROGRAM GUIDELINES

1. Purpose

The Clean Energy Grant Program provides funding to local governments and communities to facilitate projects that increase the energy efficiency and/or the use of renewable energy to benefit the local government or community and promote affordable, reliable, and clean energy.

2. Eligible Applicants

Types of organizations that may receive funding under this program include:

- A. Units of local government (Counties and/or municipalities)
- B. Public schools systems
- C. Non-profit private schools
- D. Non-profit hospitals
- E. Community Colleges
- F. Other non-profit organizations (primarily those serving low to moderate income residents)

1. Eligible Projects

Types of projects that may be funded include:

- A. Programs that reduce energy consumption by low-income and moderate-income households in Maryland. For purposes of this program, low and moderate-income households will be defined as those for which total household income is less than or equal to 60% and 85%, respectively, of the median statewide household income in Maryland.
- B. Energy efficiency projects. These are projects that reduce energy usage in the applicant’s facilities. These may include projects for which the applicant does not receive direct benefits of energy savings (applicant does not pay for energy directly) such as a housing authority that makes energy improvements to its buildings that benefit its residents
- C. Renewable energy projects. These include design and installation of renewable energy projects meeting the definition of a *renewable resource* under the Maryland Renewable Portfolio Standard (RPS).

If grant funding is not sufficient to provide for all high-quality projects, MEA may direct energy efficiency projects with short payback periods to the Jane E. Lawton Conservation Loan Program.

Projects under these categories may include those that are focused on building the capacity of an organization to analyze opportunities for energy efficiency and/or renewable energy, to expand internal resources and expertise, to obtain outside expertise, equipment or resources,

and apply for pertinent grants (other than this grant) and loans. (An example would be a town that does not employ staff capable of energy project analysis or grant preparation).

4. Scope and Dollar Amount of Grants

- A. Grants may cover any stage of project development or implementation. There is no upper or lower limit on the amount of funds for which an applicant may apply. Total statewide funding is available in the amount of \$3.5 million for projects that serve low and moderate income households. Total statewide funding is available in the amount of \$250,000 for renewable energy projects. Total statewide funding is available in the amount of \$1 million for all other project categories. Examples of the types of items for which grant funds may be used are:
 - (1) The costs of implementing projects, including the costs of all necessary technical assessments, studies, surveys, plans and specifications, start-up, architectural, engineering, and other special services;
 - (2) The costs of procuring necessary technology, equipment, licenses or materials;
 - (3) The costs of training and consumer education; or
 - (4) The costs of construction, rehabilitation, or modification related to a project including the purchase and installation of necessary machinery, or equipment.
- B. Grants may be made in conjunction with, or in addition to, financial assistance provided through other State or federal programs. In all cases grants will supplement, not supplant, other sources of funding.
- C. Grantees are encouraged to make a contribution to the project, acceptable to the Administration, which may take the form of:
 - (1) Cash;
 - (2) Payment of certain predevelopment costs such as preliminary architectural site plans, engineering design studies or feasibility studies, or technical assessments necessary to implement the project;
 - (3) Contribution of in-kind services acceptable to the Administration; or
 - (4) Contribution of equipment, labor, or materials for use in the project.

5. Application Process

MEA will conduct a two-stage competitive grant application process.

Stage 1

- A. In the first stage, applicants will submit information that confirms the applicant's eligibility for the program, describes the project, provides a project budget and schedule, and addresses the selection criteria. Applicants are encouraged to use forms and instructions provided by MEA.

- B. The application will contain information describing the organization and project including:
- (1) Address and description of project location;
 - (2) Point of contact;
 - (3) Signature of a person who has authority to submit the grant application on behalf of the organization. It is not required that this application be signed by the *authorized signatory* for the organization. However, the contract that results from a successful grant application and award will require an *authorized signatory*.
 - (4) Name and title of the person who will sign any contract that may result from a grant award to the organization (*authorized signatory*).
- C. Applicant must provide sufficient information and documentation to determine the eligibility of a project in accordance with established criteria, including:
- (1) Identification of the structure, or structures, or equipment which will be the subject of a Project, including, as applicable, a brief description of the existing condition of the structure or equipment evidencing a need for the project;
 - (2) The cost of a proposed Project and the amount of dollars committed from private and public resources;
 - (2) A project budget identifying all sources and uses of Project funds;
 - (3) A description of the type and amount of technical assistance or capacity building involved in the project, if applicable;
 - (4) A description of type, amount, and source of the contribution to be made by the grantee;
 - (5) The projected energy cost savings to be achieved in dollars, units of fuel, and the engineering calculations to support these savings estimates; and
 - (6) The anticipated environmental co-benefits (other benefits that occur in addition to energy savings or offsets – if any) attributable to the proposed Project; and
 - (7) Economic development benefits of the project.
- D. MEA will conduct an initial review of applications for eligibility and completeness and may request additional information, or clarification of existing information, from applicants
- E. In the event that MEA does not receive a sufficient number of high-quality applications during Stage 1 to meet program goals, MEA may, at its discretion, repeat Stage 1 or extend the application deadline.
- F. In the event that MEA receives applications for funding in an amount in excess of funds available during the current program year, MEA may contact applicants and request that they modify their requested grant amount.
- G. MEA will evaluate applications according to selection criteria and rank proposed projects.

Stage 2

- H. In the second stage, successful applicants will be required to enter into grant agreements, and to obtain all needed approvals.
- I. MEA will set a schedule for grant agreement completion and signature. At this stage applicants who are not able to enter into grant agreements with MEA in a timely manner may be deferred in order that program funds may be fully allocated during the current fiscal year. Such applications may be reconsidered during the next program funding cycle.
- J. Grant agreements will be signed by the applicant's *authorized signatory*. The individual who is designated as the *authorized signatory* will depend upon the type of organization and is not necessarily the person who signed the application.
- K. If the grantee is a:
 - (1) Local jurisdiction, the application shall be signed by the local jurisdiction's chief elected officer or, if none, by the governing body to the local jurisdiction;
 - (2) Public school, the application shall be approved by the Board of Education of the county in which the project is located and signed by the superintendent of public schools for the county;
 - (3) Institution of higher learning, the application shall be signed by the president of the institution or other authorized official;
 - (4) Non-profit organization, the application shall be signed by the Executive Director, President, Chairman of the Board, or other authorized official.

6. Evaluation Criteria

- A. Criteria for evaluating applications include: amount and type of energy saved, or energy generated if from renewable sources; number of citizens affected; other sources of funding and leveraging potential; local economic impact (jobs created, small businesses benefitted); how grant supports applicant's broader energy conservation strategy; environmental benefits; location, to promote and ensure geographic distribution of grants; and readiness of project.
- B. MEA anticipates that it will receive applications for a wide variety of projects. Because the scope of this program is broad and the goals are multi-faceted, MEA will need to balance many different factors in order to select the projects that best meet the overall goals of the program. For example MEA will balance economic development potential against projected energy savings and readiness of project against potential long-term benefits. Because this is a complex process, not all evaluation criteria will be quantifiable.

5. Required Grant Conditions

The grantee shall:

- A. Document the anticipated energy savings over a defined period of time in a calculation acceptable to the Administration;
- B. Provide quarterly reports on the progress of the grant and expenditures;
- C. Provide a Completion Report documenting the completion of the project and energy savings and/or generated to date; and
- D. Provide a Final Report, documenting, in a form acceptable to the Administration, the energy savings, or energy generated if from renewable sources, for the first full year of operation. Projects will be subject to verification by MEA, including energy saved or generated, jobs created, people served, etc.